

ASSEMBLY, No. 498

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman ROBERTS

1 AN ACT concerning gaming and the consumption of alcoholic
2 beverages by certain persons in casinos and amending P.L.1977,
3 c.110.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. Section 70 of P.L.1977, c.110 (C.5:12-70) is amended to read
9 as follows:

10 70. Required Regulations. The commission shall, without
11 limitation on the powers conferred in the preceding section, include
12 within its regulations the following specific provisions in accordance
13 with the provisions of this act:

14 a. Prescribing the methods and forms of application which any
15 applicant shall follow and complete prior to consideration of his
16 application by the commission;

17 b. Prescribing the methods, procedures and form for delivery of
18 information concerning any person's family, habits, character,
19 associates, criminal record, business activities and financial affairs;

20 c. Prescribing procedures for the fingerprinting of an applicant,
21 employee of a licensee, or registrant, or other methods of
22 identification which may be necessary in the judgment of the
23 commission to accomplish effective enforcement of restrictions on
24 access to the casino floor, the simulcasting facility, and other restricted
25 areas of the casino hotel complex;

26 d. Prescribing the manner and procedure of all hearings conducted
27 by the commission or any hearing examiner, including special rules of
28 evidence applicable thereto and notices thereof;

29 e. Prescribing the manner and method of collection of payments of
30 taxes, fees, and penalties;

31 f. Defining and limiting the areas of operation, the rules of
32 authorized games, odds, and devices permitted, and the method of

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

- 1 operation of such games and devices;
- 2 g. Regulating the practice and procedures for negotiable
3 transactions involving patrons, including limitations on the
4 circumstances and amounts of such transactions, and the establishment
5 of forms and procedures for negotiable instrument transactions,
6 redemptions, and consolidations;
- 7 h. Prescribing grounds and procedures for the revocation or
8 suspension of operating certificates and licenses;
- 9 i. Governing the manufacture, distribution, sale, and servicing of
10 gaming devices and equipment;
- 11 j. Prescribing for gaming operations the procedures, forms and
12 methods of management controls, including employee and supervisory
13 tables of organization and responsibility, and minimum security
14 standards, including security personnel structure, alarm and other
15 electrical or visual security measures;
- 16 k. Prescribing the qualifications of, and the conditions pursuant to
17 which, engineers, accountants, and others shall be permitted to
18 practice before the commission or to submit materials on behalf of any
19 applicant or licensee; provided, however, that no member of the
20 Legislature, nor any firm with which said member is associated, shall
21 be permitted to appear or practice or act in any capacity whatsoever
22 before the commission or division regarding any matter whatsoever,
23 nor shall any member of the family of the Governor or of a member of
24 the Legislature be permitted to so practice or appear in any capacity
25 whatsoever before the commission or division regarding any matter
26 whatsoever;
- 27 l. Prescribing minimum procedures for the exercise of effective
28 control over the internal fiscal affairs of a licensee, including
29 provisions for the safeguarding of assets and revenues, the recording
30 of cash and evidence of indebtedness, and the maintenance of reliable
31 records, accounts, and reports of transactions, operations and events,
32 including reports to the commission;
- 33 m. Providing for a minimum uniform standard of accountancy
34 methods, procedures and forms; a uniform code of accounts and
35 accounting classifications; and such other standard operating
36 procedures, including those controls listed in section 99a. hereof, as
37 may be necessary to assure consistency, comparability, and effective
38 disclosure of all financial information, including calculations of
39 percentages of profit by games, tables, gaming devices and slot
40 machines;
- 41 n. Requiring quarterly financial reports and the form thereof, and
42 an annual audit prepared by a certified public accountant licensed to
43 do business in this State, attesting to the financial condition of a
44 licensee and disclosing whether the accounts, records and control
45 procedures examined are maintained by the licensee as required by this
46 act and the regulations promulgated hereunder;

1 o. Governing the gaming-related advertising of casino licensees,
2 their employees and agents, with the view toward assuring that such
3 advertisements are in no way deceptive; provided, however, that such
4 regulations: (1) shall not prohibit the advertisement of casino location,
5 hours of operation, or types of games and other amenities offered; (2)
6 shall prohibit the advertisement of information about odds, the number
7 of games, and the size of the casino or simulcasting facility; and (3)
8 shall require the words "Bet with your head, not over it," or some
9 comparable language approved by the commission, to appear on all
10 billboards, signs, and other on-site advertising of a casino operation
11 and shall require the words "If you or someone you know has a
12 gambling problem and wants help, call 1-800 GAMBLER," or some
13 comparable language approved by the commission, which language
14 shall include the words "gambling problem" and "call 1-800
15 GAMBLER," to appear legibly on all print, billboard, and sign
16 advertising of a casino operation; [and]

17 p. (Deleted by amendment, P.L.1991, c.182).

18 q. Concerning the distribution and consumption of alcoholic
19 beverages on the premises of the licensee, which regulations shall be
20 insofar as possible consistent with Title 33 of the Revised Statutes,
21 and shall deviate only insofar as necessary because of the unique
22 character of the hotel casino premises and operations; and

23 r. (Deleted by amendment, P.L.1991, c.182).

24 s. Prescribing procedures, including, but not limited to, random
25 requests for proof of age, for effective identification of a person under
26 the age at which a person is authorized by law to purchase and
27 consume alcoholic beverages who enters or is present in a licensed
28 casino or a simulcasting facility, other than a person licensed or
29 registered under the provisions of the "Casino Control Act," P.L.1977,
30 c.110 (C.5:12-1 et seq.), who enters or is present in a casino or a
31 simulcasting facility in the regular course of the person's permitted
32 activities.

33 (cf: P.L.1995, c.18, s.17)

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35 2. Section 103 of P.L.1977, c.110 (C.5:12-103) is amended to read
36 as follows:

37 103. Alcoholic Beverages in Casino Hotel Facilities.

38 a. Notwithstanding any law to the contrary, the authority to grant
39 any license for, or to permit or prohibit the presence of, alcoholic
40 beverages in, on, or about any premises licensed as part of a casino
41 hotel shall exclusively be vested in the commission.

42 b. Unless otherwise stated, and except where inconsistent with the
43 purpose or intent of this act or the common understanding of usage
44 thereof, definitions contained in Title 33 of the Revised Statutes shall
45 apply to this section. Any definition contained therein shall apply to
46 the same word in any form.

1 c. Notwithstanding any provision of Title 33 of the Revised
2 Statutes, the rules, regulations and bulletins promulgated by the
3 director of the Division of Alcoholic Beverage Control, or any
4 provision promulgated by any local authority, the authority to issue,
5 renew, transfer, revoke or suspend a Casino Hotel Alcoholic Beverage
6 License or any portion, location, privilege or condition thereof; to fine
7 or penalize a Casino Hotel Alcoholic Beverage Licensee; to enforce all
8 statutes, laws, rulings, or regulations relating to such license; and to
9 collect license fees and establish application standards therefor, shall
10 be, consistent with this act, exclusively vested in the commission or
11 the division.

12 d. Except as otherwise provided in this section, the provisions of
13 Title 33 of the Revised Statutes and the rules, regulations and bulletins
14 promulgated by the Director of the Division of Alcoholic Beverage
15 Control shall apply to a Casino Hotel and Casino Hotel Alcoholic
16 Beverage Licensee licensed under this act.

17 e. Notwithstanding any provision to the contrary, the commission
18 may promulgate any regulations and special rulings and findings as
19 may be necessary for the proper enforcement, regulation, and control
20 of alcoholic beverages in casino hotels when the commission finds that
21 the uniqueness of casino operations and the public interest require that
22 such regulations, rulings, and findings are appropriate. Regulations of
23 the commission may include but are not limited to: designation and
24 duties of enforcement personnel; all forms necessary or convenient in
25 the administration of this section; inspections, investigations, searches,
26 seizures; licensing and disciplinary standards; requirements and
27 standards for any hearings or disciplinary or other proceedings that
28 may be required from time to time; the assessment of fines or penalties
29 for violations; hours of sale; sales in original containers; sales on
30 credit; out-of-door sales; limitations on sales; gifts and promotional
31 materials; locations or places for sale; control of signs and other
32 displays; identification of licensees and their employees; employment
33 of aliens and minors; storage, transportation and sanitary requirements;
34 records to be kept by the Casino Hotel Alcoholic Beverage Licensees
35 and availability thereof; practices unduly designed to increase
36 consumption of alcoholic beverages; and such other matters
37 whatsoever as are or may become necessary and consistent with the
38 administration of this act.

39 Notwithstanding the foregoing, the commission shall promulgate
40 regulations designed to prohibit the consumption of alcoholic
41 beverages in a casino or simulcasting facility by a person under the age
42 at which a person is authorized by law to purchase and consume
43 alcoholic beverages. Such regulations shall provide for the assessment
44 of penalties and fines for violations thereof, including, as appropriate,
45 revocation of any license issued by the commission.

46 f. (1) It shall be unlawful for any person, including any casino

1 licensee or any of its lessees, agents or employees, to expose for sale,
2 solicit or promote the sale of, possess with intent to sell, sell, give,
3 dispense, or otherwise transfer or dispose of alcoholic beverages in, on
4 or about any portion of the premises of a casino hotel, unless said
5 person possesses a Casino Hotel Alcoholic Beverage License.

6 (2) It shall be unlawful for any person issued a Casino Hotel
7 Alcoholic Beverage License to expose, possess, sell, give, dispense,
8 transfer, or otherwise dispose of alcoholic beverages, other than within
9 the terms and conditions of the Casino Hotel Alcoholic Beverage
10 License issued, the provisions of Title 33 of the Revised Statutes, the
11 rules and regulations promulgated by the Director of the Division of
12 Alcoholic Beverage Control, and, when applicable, the regulations
13 promulgated pursuant to this act.

14 g. In issuing a Casino Hotel Alcoholic Beverage License the
15 commission shall describe the scope of the particular license and the
16 restrictions and limitations thereon as it deems necessary and
17 reasonable. The commission may, in a single Casino Hotel Alcoholic
18 Beverage License, permit the holder of such a license to perform any
19 or all of the following activities, subject to applicable laws, rules and
20 regulations:

21 (1) To sell any alcoholic beverage by the glass or other open
22 receptacle, but not in an original container, for on-premise
23 consumption within a casino or simulcasting facility; provided,
24 however, that no alcoholic beverage shall be sold, given or be available
25 for consumption; offered, delivered or otherwise brought to a patron;
26 or consumed at a gaming table unless so requested by the patron.

27 (2) To sell any alcoholic beverage by the glass or other open
28 receptacle for on-premise consumption within a casino hotel, but not
29 in a casino or simulcasting facility, or from a fixed location outside a
30 building or structure containing a casino but on a casino hotel
31 premises.

32 (3) To sell any alcoholic beverage in original containers for
33 consumption outside the licensed area from an enclosed package room
34 not in a casino or simulcasting facility.

35 (4) To sell any alcoholic beverage by the glass or other open
36 receptacle or in original containers from a room service location within
37 an enclosed room not in a casino or simulcasting facility; provided,
38 however, that any sale of alcoholic beverages is delivered only to a
39 guest room or to any other room in the casino hotel authorized by the
40 commission, other than any room authorized by the commission
41 pursuant to paragraph (1), (3), or (5) of this subsection.

42 (5) To possess or to store alcoholic beverages in original
43 containers intended but not actually exposed for sale at a fixed
44 location on a casino hotel premises, not in a casino or simulcasting
45 facility; and to transfer or deliver such alcoholic beverages only to a
46 location approved pursuant to this section; provided, however, that no

1 access to or from a storage location shall be permitted except during
2 the normal course of business by employees or agents of the licensee,
3 or by licensed employees or agents of wholesalers or distributors
4 licensed pursuant to Title 33 of the Revised Statutes and any
5 applicable rules and regulations; and provided further, however, that
6 no provision of this section shall be construed to prohibit a Casino
7 Hotel Alcoholic Beverage Licensee from obtaining an off-site storage
8 license from the Division of Alcoholic Beverage Control.

9 h. (1) No Casino Hotel Alcoholic Beverage License which
10 authorizes the sale of alcoholic beverages within a casino pursuant to
11 subsection g.(1) of this section shall issue to any applicant who does
12 not hold a casino license issued pursuant to this act.

13 (2) No Casino Hotel Alcoholic Beverage License which authorizes
14 the possession, sale or storage of alcoholic beverages pursuant to
15 subsection g.(2), (3), (4), or (5) of this section shall issue to any
16 applicant who would not qualify under the standards for licensure of
17 a casino service industry pursuant to subsection c. of section 92 of
18 P.L.1977, c.110 (C.5:12-92).

19 (3) No Casino Hotel Alcoholic Beverage License which authorizes
20 the possession or storage of alcoholic beverages pursuant to
21 subsection g. of this section shall issue to any applicant who does not
22 hold a Casino Hotel Alcoholic Beverage License, permitting any
23 activity pursuant to subsection g.(1), (2), (3), or (4) of this section.

24 i. The commission may revoke, suspend, refuse to renew or refuse
25 to transfer any Casino Hotel Alcoholic Beverage License, or fine or
26 penalize any Casino Hotel Alcoholic Beverage Licensee for violations
27 of any provision of Title 33 of the Revised Statutes, the rules and
28 regulations promulgated by the Director of the Division of Alcoholic
29 Beverage Control, and the regulations promulgated by the
30 commission.

31 j. Jurisdiction over all alcoholic beverage licenses previously issued
32 with respect to the casino hotel facility is hereby vested in the
33 commission, which in its discretion may by regulation provide for the
34 conversion thereof into a Casino Hotel Alcoholic Beverage License as
35 provided in this section.

36 (cf: P.L.1993, c.292, s.22)

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38 3. Section 119 of P.L.1977, c.110 (C.5:12-119) is amended to read
39 as follows:

40 119. Gaming by Certain Persons Prohibited; Penalties; Defenses.

41 a. No person under the age at which a person is authorized to purchase
42 and consume alcoholic beverages shall enter, or wager or collect
43 winnings from any game in, a licensed casino or simulcasting facility;
44 provided, however, that such a person may enter a casino or
45 simulcasting facility by way of passage to another room, and provided
46 further, however, that any such person who is licensed or registered

1 under the provisions of the "Casino Control Act," P.L.1977, c.110
2 (C.5:12-1 et seq.), may enter a casino or simulcasting facility in the
3 regular course of the person's permitted activities. In addition to any
4 other penalty provided by law, any winnings which are owed to the
5 underage person by a licensed casino or a simulcasting facility as a
6 result of wagers made in violation of this subsection shall be subject
7 to forfeiture by order of the commission, on complaint of the division,
8 following notice and opportunity to be heard. Of any forfeited amount
9 under \$100,000, one-half shall be deposited into the General Fund for
10 appropriation by the Legislature to the Department of Health to
11 provide funds for compulsive gambling treatment programs in the
12 State and the remaining one-half shall be deposited into the Casino
13 Revenue Fund; of a forfeited amount of \$100,000 or more, \$50,000
14 shall be deposited into the General Fund for appropriation by the
15 Legislature to the Department of Health to provide funds for
16 compulsive gambling treatment programs and the remainder shall be
17 deposited into the Casino Revenue Fund.

18 b. Any licensee or employee of a casino who allows a person under
19 the age at which a person is authorized to purchase and consume
20 alcoholic beverages to remain in or wager in a casino or simulcasting
21 facility is guilty of a disorderly persons offense; except that the
22 establishment of all of the following facts by a licensee or employee
23 allowing any such underage person to remain shall constitute a defense
24 to any prosecution therefor:

25 (1) That the underage person falsely represented in writing that he
26 or she was at or over the age at which a person is authorized to
27 purchase and consume alcoholic beverages;

28 (2) That the appearance of the underage person was such that an
29 ordinary prudent person would believe him or her to be at or over the
30 age at which a person is authorized to purchase and consume alcoholic
31 beverages; and

32 (3) That the admission was made in good faith, relying upon such
33 written representation and appearance, and in the reasonable belief that
34 the underage person was actually at or over the age at which a person
35 is authorized to purchase and consume alcoholic beverages.

36 c. The commission shall assess such civil penalties as may be
37 necessary to deter future violations upon any licensee or employee of
38 a licensee who allows a person under the age at which a person is
39 authorized by law to purchase and consume alcoholic beverages to
40 remain in or wager in a casino or a simulcasting facility.

41 (cf: P.L.1993, c.292, s.30)

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4. This act shall take effect immediately.

STATEMENT

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This bill requires the Casino Control Commission to promulgate specific regulations to exclude more effectively from casinos persons under the age at which a person is authorized to purchase and consume alcoholic beverages, that is, the age of 21 years. Under current law, persons under 21 years of age are prohibited from entering and wagering at any game in a licensed casino or a simulcasting facility and any licensee or casino employee who allows an underage person to remain in a casino is guilty of a disorderly persons offense. The bill provides that the commission shall prescribe procedures for effective identification of persons under the age of 21 years beyond random requests for proof of age. The bill requires the commission to establish penalties and fines, including revocation of a liquor license, to strengthen the enforcement of the prohibition against the consumption of alcoholic beverages by persons under 21 years of age, including the consumption of complimentary alcoholic beverages.

The bill also requires that the commission assess such civil penalties as may be necessary to deter future violations by a casino licensee or employee for allowing an under-aged person to remain or wager in a casino and that any winnings of a person discovered to be under 21 years of age shall be forfeited to the State. At present, such winnings revert to the casino. Of any forfeited amount under \$100,000, one-half shall be deposited into the General Fund for appropriation by the Legislature to the Department of Health to provide funds for compulsive gambling treatment programs in the State and the remaining one-half shall be deposited into the Casino Revenue Fund. Of a forfeited amount of \$100,000 or more, \$50,000 shall be deposited into the General Fund for appropriation by the Legislature to the Department of Health to provide funds for compulsive gambling treatment programs and the remainder shall be deposited into the Casino Revenue Fund.

Requires Casino Control Commission regulations and penalties to exclude more effectively minors from casinos.